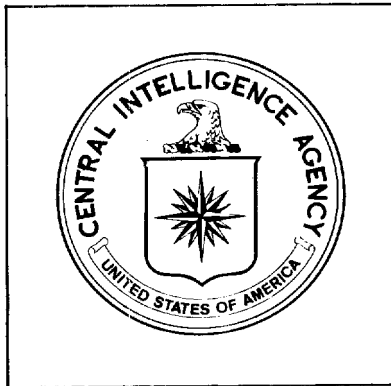


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SOVIET UNION - EASTERN EUROPE

This publication is prepared for regional specialists in the Washington community by the USSR - Eastern Europe Division, Office of Current Intelligence, with occasional contributions from other offices within the Directorate of Intelligence. Comments and queries are welcome. They should be directed to the authors of the individual articles.

CONTENTS

March 20, 1975

Soviets Seek Better Relations with German Christian Democrats	1
Yugoslavia: Bosnian "Cominformist" Affair	2
Ceausescu Continues To Reshuffle Leaders	4
Soviets Court North Korean Wrath	5
Hungarian Leaders Affirm Policies at Party Congress	6
Moscow Artists Getting Bolder	8
Bulgarian-Yugoslav Relations: Warm Winds Will Not Blow	10

Recent Agricultural Decision Seen as Boost to Polyansky	15
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TOP SECRET UMBRA

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Soviets Seek Better Relations
with German Christian Democrats

The Soviets are working to patch up relations with the West German Christian Democrats. Since the beginning of the year Soviet Ambassador Falin has had at least three meetings with the chairman of the Christian Democratic Union, Helmut Kohl. One outcome of these sessions is an agreement that Kohl will travel to the USSR, probably in the fall. There are also tentative plans for a visit by former (CDU) chairman Rainer Barzel to prepare for Kohl's trip.

The Soviets have doubts about the longevity of the present West German government, and in characteristic fashion are beginning to cultivate its probable successor. The possibility of a return to power by the CDU may be less upsetting to Moscow than formerly, since relations with Chancellor Schmidt have not been as close as those with his predecessor, Brandt. The Soviets have expressed a variety of complaints about West German conduct, reflecting their concern that the post-Brandt leadership is less solicitous of its relations with the USSR.

The overtures to the Christian Democrats do not necessarily mean that the Soviets have written off the Schmidt government--cultivation of the SPD continues. Moscow may believe that by indicating that it could work with the Christian Democrats it will put Schmidt on notice that he has some fence-mending to do if he is to regain Soviet favor.

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TOP SECRET UMBRA

Yugoslavia: Bosnian "Cominformist" Affair

Investigations of seven "Cominformist-Stalinists" arrested in Bosnia-Herzegovina in early March have reportedly developed leads to supporters of Aleksandr Rankovic, Tito's ex-heir apparent, who was purged in 1966.

One of those arrested, Teufik Selimovic, was a Rankovic protege and a deputy minister of interior in the early 1950s. [REDACTED] Selimovic has recently had contacts with other Rankovic cronies who would like to be in a position to grab power when Tito dies.

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The Rankovic faction is deeply imbued with orthodox hard-line attitudes. The group has been closely watched by the authorities, who fear that the pro-Soviet, Cominformist party--founded illegally last spring in Montenegro--will try to establish common cause with the Rankovic clique. Selimovic's ties to the Rankovic faction appear strong enough for internal security officials to press for arrests of some outspoken Rankovic followers.

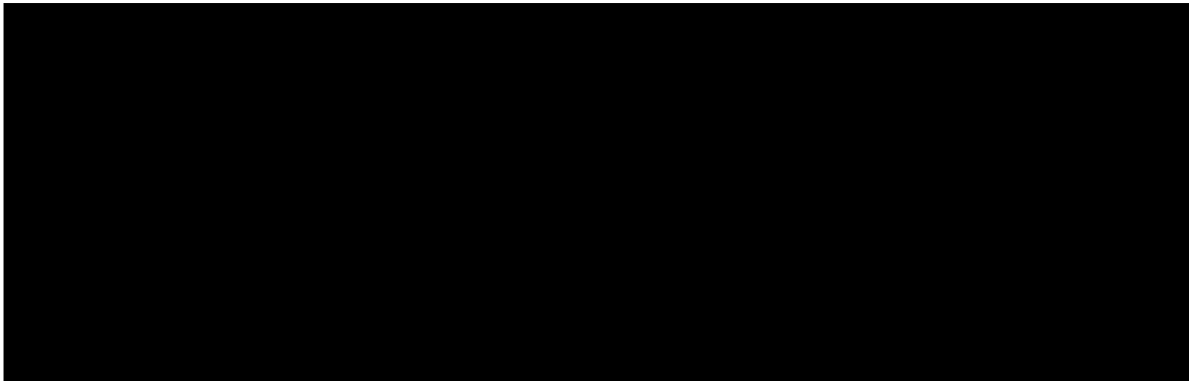
Several politically sensitive issues, however, pose difficulties in handling the affair. All of those currently under arrest are war veterans (partisans), a powerful group that the regime does not want to offend. A prominent Bosnian, Pagusa Mandzic, who until last year held a seat on a prestigious federal advisory commission, is also said to be deeply involved with those under arrest, but his renown in partisan circles has for the time being caused authorities to avoid arresting him. The officials are nonetheless compiling incriminating evidence, and Mandzic may soon lose his protection.

March 20, 1975

TOP SECRET UMBRA

Yugoslav propaganda against the group is accusing them of a wide range of nationalist and political deviations, presumably in an effort to blacken their names before taking further legal action. Several members are described as favoring Soviet intervention in Yugoslavia.

All those currently under arrest are from Tuzla, the home of the present Yugoslav minister of interior, Colonel General Franjo Herljevic. The real roots of the affair may well be entangled in local Bosnian politics--an impenetrable maze of Byzantine alliances.
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March 20, 1975

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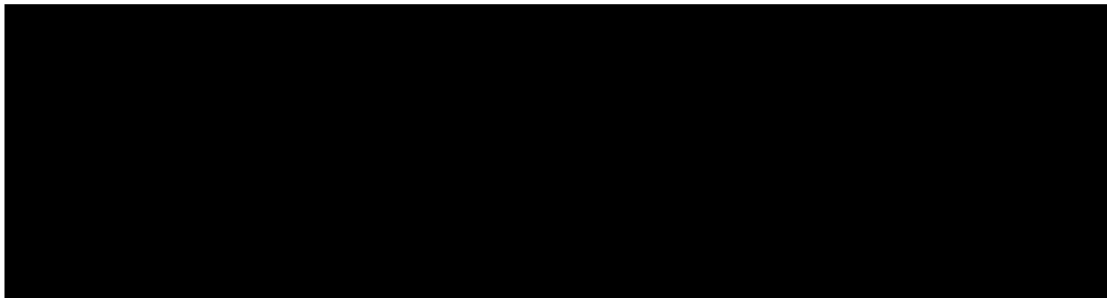
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Ceausescu Continues To Reshuffle Leaders

Ceausescu has promptly followed his reshuffle of the party secretaries on March 17 (*Staff Notes*, March 17) with personnel changes in the government.

The current session of the Romanian parliament has announced significant changes in the Council of State. The move appears to be Ceausescu's latest effort to revitalize this body of elder statesmen and to make it live up to its constitutional description as "the supreme organ of state power functioning continuously." The council's membership has been reduced from 26 to 17, and includes six new individuals.

In addition, the cabinet has four new ministers. Constantin Ionescu was named to fill the vacancy left by the ouster of Virgil Actarian; Emil Nicolicioiu is the new minister of justice; Radu Paun the new minister of health; and Teodor Coman replaces Emil Bobu as minister of interior. Coman is apparently not related to the Romanian chief of staff, Colonel-General Ion Coman. Teodor Coman is Bobu's logical successor, having been appointed first deputy minister of interior in November last year. (CONFIDENTIAL)



March 20, 1975

TOP SECRET UMBRA

Soviets Court North Korean Wrath

Radio Moscow announced on March 18 that Gromyko "has received" the North Korean Ambassador. Although the subject of the meeting was not revealed, the discussion may have concerned Moscow's invitation to a South Korean sports official to visit the USSR in April.

The South Korean was invited to attend a meeting of the International Amateur Boxing Association in Tallinn. Moscow may be required under the rules of that organization to permit the representatives of all member nations to participate in its meetings and thus would have had no choice but to invite the South Korean official. With the 1980 summer Olympic games scheduled to be held in Moscow, the Soviet authorities are probably anxious, in any event, to avoid charges of political discrimination. Whatever the reason for the invitation, it would probably evoke a North Korean protest.

In 1973, Moscow allowed South Korean athletes to perform in the Universiad games in Moscow. Pyongyang forcefully registered its dissatisfaction with Moscow, and the Soviets subsequently shunned all contact with Seoul.

Soviet - North Korean relations appear to have become more tepid over the past year or so, and Pyongyang has shown some concern over Soviet intentions toward South Korea. Whatever obligation Moscow may have been under to invite the South Koreans to Tallinn, Pyongyang will suspect that Moscow is probing North Korean tolerance of low-level contacts with Seoul. (CONFIDENTIAL)

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Hungarian Leaders Affirm Policies at Party Congress

Hungarian leadership speeches at the party Congress reaffirm Kadar's basic policies, but leave little doubt that Budapest will continue to emphasize orthodox strains in its economic and cultural programs.

In his lengthy keynote address, Kadar stated that "our economic policy will continue," but added that decentralization requires "even more intense central direction and control." Premier Fock, sounding like a man about to retire, echoed the theme and added a strong note of self-criticism by admitting that the government had failed to control the economy satisfactorily or to imbue economic decision-makers with a clear sense of the national interest.

Trade union leader Gaspar, who appears to have pressed hardest for a trimming of the economic reform, equivocally endorsed economic decentralization and emphasized the necessity of continual adjustments. None of the speakers referred specifically to the country's "economic reform"--a term that has virtually disappeared from the Hungarian language.

Kadar candidly acknowledged current economic difficulties, and said Hungary must adapt to permanently higher raw material prices by working harder and more effectively integrating with other CEMA countries. He made no effort to bite the bullet, however, and recited some optimistic--and unrealistic--growth projections. Fock indicated that Budapest is working hard to tap neglected domestic coal resources.

March 20, 1975

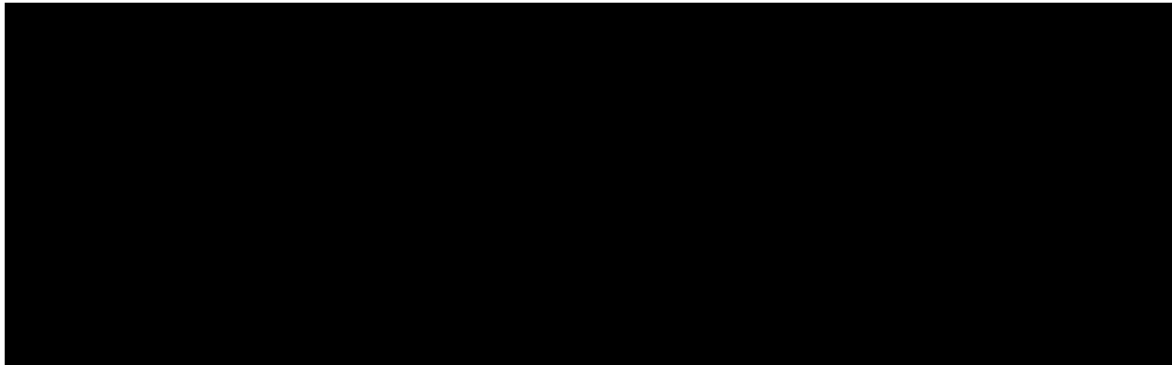
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Although Kadar reaffirmed his commitment to debate and gradualism in cultural policy, he stressed the need for greater doses of ideology. He linked the call for more ideological vigilance at home to the demands of an increased class struggle during detente. Politburo member Benke, head of the party theoretical monthly, stressed that writers and artists must contribute more to the "socialist education" of the broader masses.

Kadar also underlined his injunction for a more unified and committed party by proposing that there be a party card exchange in 1975.

On international affairs, the Hungarian leader described detente as "the main trend in world politics", complimented the non-aligned movement (led by neighboring Yugoslavia), and strongly attacked Maoism for weakening the communist movement. Along with three of his East European colleagues, Kadar also called for an international communist conference. (CONFIDENTIAL)



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March 20, 1975

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TOP SECRET UMBRA

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Moscow Artists Getting Bolder

Spokesmen for Moscow's unofficial artists have told Western correspondents that they plan to go ahead with a show of unconventional works by painters from several Soviet cities and that they have appealed to culture minister Demichev to provide a suitable exhibition hall. In an open letter to Demichev, the group wrote that if negotiations with the city authorities for a hall broke down, they would organize a "permanent, traveling exhibit," including open air shows at regular intervals.

The artists claimed that the pavilion at Moscow's Exhibition of National Economic Achievements--where 20 unorthodox painters were permitted to hold a show late last month--was too small for the 120 exhibitors who now want to participate. They rejected the Moscow city council's plea that no other hall was available and that special permission was needed from the culture ministry for artists from other cities to take part in the exhibit.

The artists have been trying to organize a large, comprehensive exhibit ever since they successfully wrenched permission from the regime to hold an outdoor show at Moscow's Izmaylovo Park last September. Their efforts have been repeatedly voided, however, by a combination of harassment and pressure to bring the artists under some form of institutional control. A number of the unofficial artists, for example, have been permitted to show their work on at least two occasions after submitting it to prior review and other restrictions. This tactic of the regime has fostered a split between those who favor taking what is offered and those--apparently a majority--who believe they have a right to exhibit with no strings attached.

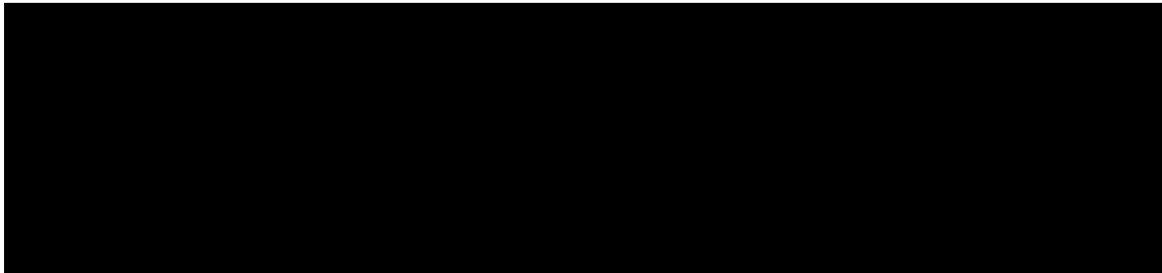
March 20, 1975

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The regime may now view the majority's bold tactics as too much of a challenge; so may some of the artists who favor a compromise. The decision to enlist Western publicity could reflect simple impatience with the culture ministry's procrastination in acting on the artists' application for the exhibit which they filed late last month (*Staff Notes*, March 5). The move could also be intended to test the unsettled atmosphere in cultural affairs and the extent to which Demichev can stretch his more pragmatic approach to unconventional art (*Staff Notes*, March 14).

There is no information on the degree of coordination, if any, between the unofficial artists in Moscow and those in other Soviet cities. Leningrad's unofficial artists, who have had some success in showing their works there, were prevented by police from holding a private show in Moscow in late February, which they had planned to coincide with the limited exhibit by their colleagues in the capital. There has been talk within the Moscow unofficial art community since the turn of the year about a traveling exhibit sometime in May. Four cities--Moscow, Leningrad, Tallinn and Tbilisi--were to be visited and represented by their unofficial painters. Although this implies a coordinated effort, the artists have been careful not to claim that they intend to, or can, organize a "nationwide" effort in support of their cause. (CONFIDENTIAL)



March 20, 1975

TOP SECRET UMBRA

Bulgarian-Yugoslav Relations: Warm
Winds Will Not Blow

According to the US embassy in Sofia, the latest flare-up of the Macedonian issue has created strains that will probably prevent any improvement this year in political relations between Sofia and Belgrade. The embassy believes that Sofia will probably avoid direct responses on Belgrade's charges. Instead, the Bulgarians will try to bait the Yugoslavs into escalating the dispute in order to make Belgrade appear to be the culprit.

From the Bulgarian viewpoint, the latest Yugoslav outbursts rehash old themes that Sofia probably considers dead issues. Sofia has no intention of recognizing the Macedonians as a "national minority," a precondition the Yugoslavs set for any improvement in bilateral political relations. Instead, it will continue its policy of assimilating them into Bulgarian culture.

Despite Belgrade's allegation, the chances are very small that Sofia would seize territory of the Yugoslav Macedonian Republic. The Bulgarians have formally recognized Yugoslav Macedonia, and--as the outgoing Yugoslav ambassador to Sofia recently admitted--have committed themselves to maintaining existing borders in the Balkans.

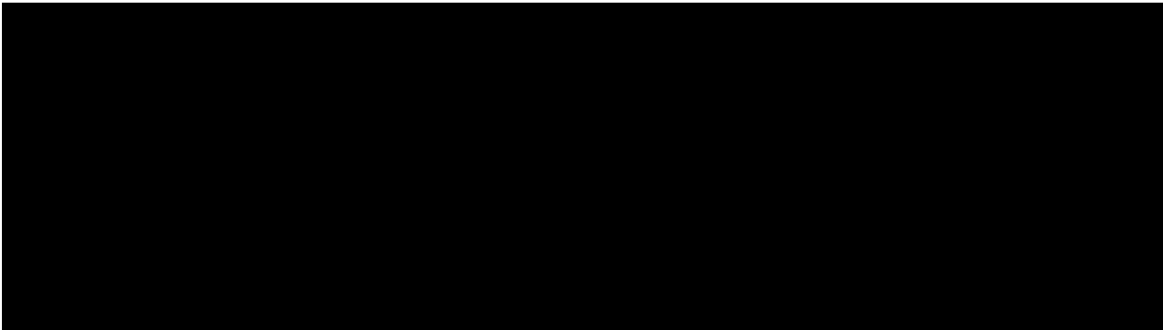
Sofia is expected to present its case in a "scientific debate" about the origins of Macedonian culture and language. Given the sensitivity of the issue, this approach is bound to provoke Belgrade. Lyudmila Zhivkova (daughter of the Bulgarian party leader) recently delivered a speech in which she extolled the contribution of Pirin (Bulgarian) Macedonia to the Bulgarian "national culture." The Bulgarians subsequently awarded the Hero of

March 20, 1975

TOP SECRET UMBRA

Socialist Labor medal to a Macedonian exile living in Bulgaria whom the Yugoslavs consider a Soviet-inspired Cominformist. Each of these actions promptly drew Belgrade's fire.

Meantime, Bulgarian-Yugoslav trade and economic relations remain good and are even expanding. Any improvement on the political front, however, will probably have to await the results of the December 1975 census, when the Yugoslavs expect Bulgaria to announce a further diminution of its Macedonian citizens. (CONFIDENTIAL)



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March 20, 1975

TOP SECRET UMBRA

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TOP SECRET UMBRA

Recent Agricultural Decision Seen
as Boost to Polyansky

A decision of the Presidium of the RSFSR (Russian Republic) Supreme Soviet to merge the union republic ministries of agriculture and state farms into one ministry of agriculture was published on March 18. The measure returned this level of agricultural management to the administrative set-up that had existed prior to February 1972.

The RSFSR was the largest of five republics to experiment with separate farm ministries. These ministries were established between 1969 and 1972 with an eye toward eventually extending the system to the other republics and to the national level. Support for this concept of separate ministries seemed to be strongest in the Ukraine, the first republic to set up a state farms ministry.

By 1974, support for this organizational concept seemed to be waning, however, and in January 1974 Georgia--one of the five republics which had formed a state farms ministry--abandoned the scheme. Similar action now by the Russian Republic would seem to spell the final defeat for the concept of separate ministries. As such, it marks a victory for Politburo member and Minister of Agriculture Polyansky. While Polyansky may have pushed for the creation of a ministry of state farms on the all-union level when he was supervising the whole agricultural sector as first deputy premier, now that he is just minister of agriculture such a move would cut his empire in half.

Some local officials have criticized the concept of a separate state farms ministry on the grounds that it would further isolate state farms

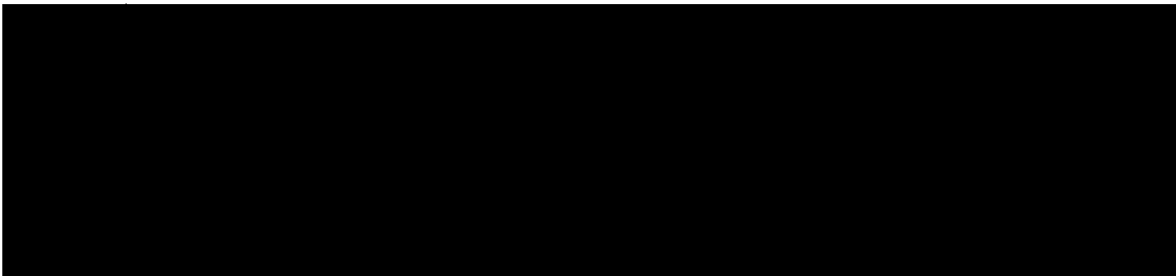
March 20, 1975

TOP SECRET UMBRA

TOP SECRET UMBRA

from collective farms. To them, the RSFSR action will be welcome. They have favored a relatively new organizational form of inter-farm cooperation-- regional production associations to which both state and collective farms belong. Tambov Oblast's experiment with mixed associations has been most heavily publicized (see preceding *Staff Note*), but the concept is also favored in Belorussian, Estonia, Latvia, and some other areas. The existence of a separate state farms ministry, particularly if carried to all-union level, would create obstacles to the smooth administration of these associations. Brezhnev has apparently stayed above the battle, praising mixed associations, as well as other kinds of inter-farm cooperation.

Polyansky received another if predictable boost on March 14 when he was re-elected head of the all-union collective farm council, a hierarchy of advisory bodies. Although there had been pressure from some local officials to grant local councils more managerial functions in line with the experimental arrangement in the Moldavian Republic, Polyansky, always the politician, was ambiguous in his speech on the controversial issues and no decisions were taken. Giving the advisory councils some managerial functions would strengthen the authority of one of the organizations Polyansky heads, but when such a move was taken in Moldavia the local minister of agriculture was bounced from the collective farm council post in favor of a party official. (CONFIDENTIAL)



March 20, 1975

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